Please cancel claim 2 without prejudice or disclaimer of subject matter.

Please amend claim 1, and add new claim 9, as follows.

1. (Currently Amended) A method of allocating income to a user savings account and to payees and monitoring a consumer's purchasing activity, said method including:

receiving user financial information <u>in a first computer system from a second computer system connected to the first computer system by a network</u>, wherein said financial information includes ~~at least one of~~ user income information related to user income~~, user income source information related to user income sources,~~ <u>and</u> user debt information related to <u>existing</u> user debts to payees ~~and user goal information related to user goals~~;

providing at least one recommendation, wherein said recommendation includes suggestions for minimizing user debt payments and maximizing user savings<u>, and wherein the recommendation is generated by the first computer system</u>;

establishing a payment hierarchy based at least in part on said recommendation, wherein said payment hierarchy includes at least a portion of said user income allocated to said user savings account and a portion of said user income allocated to said <u>existing</u> user debts;

acquiring user income;

transferring at least a portion of said user income, based at least in part upon said payment hierarchy, to ~~at least one of~~ <u>said</u> user savings account and ~~payee~~ <u>at least one of said payees</u>;

establishing and storing budget information;

uploading purchase data including a retailer item identifier from a retailer system;

accessing a remote processor to standardize <u>said</u> purchase data to correlate a budgeted item with an actually purchased item; and

reconciling said budget information.

2. (Cancelled)

3. (Original) The method of claim 1, wherein establishing and storing said budget information further comprises:

accessing a remote processor to select a budget item;

receiving a standard identifier for said budget item;

storing said standard identifier; and

allocating funds for said budget item.

4. (Original) The method of claim 3, wherein said budget item is selected by designating one of a product category and a specific product.

5. (Original) The method of claim 3, wherein said standard identifier is one of a retailer ID and a manufacturer item identifier.

6. (Original) The method of claim 1, wherein uploading purchase data comprises using a device which includes a smartchip.

7. (Original) The method of claim 6, wherein said device comprises one of a smartcard and a transponder.

8. (Original) The method of claim 1, further comprising alerting at least one of a consumer and a third-party when a budget reconciliation determines that one of over-spending or under-spending has occurred.

9. (New) A method of allocating income to a user savings account and to payees and monitoring a consumer's purchasing activity, said method including:

receiving user financial information in a first computer system from a second computer system connected to the first computer system by a network, wherein said financial information includes user income information related to user income <u>and</u> user debt information related to <u>existing</u> user debts to payees;

providing at least one recommendation, wherein said recommendation includes suggestions for minimizing user debt payments and maximizing user savings, and wherein the recommendation is generated by the first computer system;

establishing a payment hierarchy based at least in part on said recommendation, wherein said payment hierarchy includes at least a portion of said user income allocated to said user savings account and a portion of said user income allocated to said existing user debts;

acquiring user income; transferring at least a portion of said user income, based at least in part upon said payment hierarchy, to said user savings account and at least one of said payees;

establishing and storing budget information;

uploading purchase data including a retailer item identifier from a retailer system;

accessing a remote processor to standardize said purchase data to correlate a budgeted

item with an actually purchased item; and

reconciling said budget information,

wherein said purchase data is standardized by translating a retailer item identifier into a

manufacturer item identifier.